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SENATE

{ REPORT
{ No. 1175

PROVIDING CERTAIN BASIC AUTHORITY FOR THE DEPARTMENT OF STATE

JULY 27, 1955.—Ordered to be printed

Mr. GEORGE, from the Committee on Foreign Relations, submitted
the following

R E P O R T.

[To accompany S. 2569]

The Committee on Foreign Relations, having had under consideration S. 2569, a bill to provide certain basic authority for the Department of State, report the same to the Senate with two clarifying amendments and recommend that it do pass.

GENERAL PURPOSE OF BILL

It is the purpose of this bill to authorize the Department of State to carry on certain housekeeping-type activities in connection with the conduct of the foreign policy of the United States. For many years provisions have been included in appropriations acts recognizing that such activities are necessary in the day-to-day operations of the Department of State. Much of the language of those appropriations bills has been subject to a point of order under Senate rule XVI, paragraph 4, which provides in part that—

No amendment which proposes general legislation shall be received to any general appropriation bill * * *.

The enactment of this bill will make it unnecessary in the future to request waiver of points of order for the activities authorized herein. The bill does not, except for sections 14, 15, and 16, authorize the appropriation of any funds that have not normally been included in appropriation acts for many years.

COMMITTEE ACTION

The Committee on Foreign Relations referred S. 2569 to a subcommittee under the chairmanship of Senator Mike Mansfield for consideration. On July 20, the subcommittee received in support of the

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bill testimony of the Honorable Loy Henderson, Deputy Under Secretary of State for Administration, Edward B. Wilber, Deputy Controller and Budget Officer of the Department of State, and J. Edward Lyerly, Office of the Legal Adviser of the Department of State. The subcommittee reported the bill to the Committee on Foreign Relations with an amendment suggested by the Joint Committee on Printing. The Committee on Foreign Relations favorably reported S. 2569 to the Senate on July 27.

SECTION-BY-SECTION ANALYSIS OF BILL

In view of the fact that most of the problems which will be dealt with by the pending bill have arisen over a period of years during the consideration of appropriation legislation relating to the Department of State, the committee asked the budget officer of the Department of State to prepare a statement indicating the need for each section of the bill and the provisions of law or of past appropriation acts related to those sections.

The information received is as follows:

EXPLANATION OF A BILL TO PROVIDE CERTAIN BASIC AUTHORITY FOR THE DEPARTMENT OF STATE

The provisions embodied in this bill represent items carried in appropriation acts for many years which the Congress has recognized as necessary to permit the State Department to carry out its normal functions. The majority of items cover the normal housekeeping tasks which the Department of State has found necessary in maintaining a worldwide organization for diplomatic and consular operations.

The specific provisions of the bill are explained in the following sections:

Section 1. Passport and despatch agencies.—This section provides that the Secretary of State is authorized to establish, maintain and operate passport and despatch agencies.

The Secretary has basic authority to issue passports as set forth below:

(22 U. S. C. 211a): "The Secretary of State may grant and issue passports, and cause passports to be granted, issued, and verified in foreign countries by diplomatic representatives of the United States * * * under such rules as the President shall designate and prescribe for and on behalf of the United States, and no other person shall grant, issue, or verify such passports" (44 Stat. 887).

Passport agencies established as a convenience to the public are considered a normal activity to expedite the public business. Authority to establish, maintain and operate passport agencies has been contained in annual appropriation acts for many years. Without such agencies the entire work of passport issuance would have to be done in Washington. If all work were done in Washington, the inconvenience and delay to applicants would jeopardize the present efficient service.

Despatch agencies (5 U. S. C. 153a): "There shall be paid compensation to agents and employees of, and rent and other expenses for, despatch agencies established by the Secretary of State."

The above section of the United States Code is based on provisions contained for many years in the Department of State annual appropriation acts. Dispatch agencies, which serve all departments and agencies of the Federal Government, were established because of the need to expedite shipments of materials required to support the overseas operations of the United States Government.

Section 2.—This section provides that the Secretary of State, when authorized in an appropriation or other law, may do a number of specific acts as set forth below.

Section 2 (a). Printing and binding.—The act of March 1, 1919 (44 U. S. C. 111) provides that all printing be done at the Government Printing Office and also provides for a Joint Committee on Printing which can issue waivers for printing done at places other than at the Government Printing Office. Exemption from this provision was provided in the State Appropriation Act, 1947 and repeated in

subsequent years. This provision, as amended by the Committee, applies only to printing and binding done outside the continental limits of the United States. It is frequently quite difficult and often very expensive to have all printing and binding submitted to Washington from posts all over the world. If the work were done at the Government Printing Office, the cost would be higher because of the higher costs in the United States for paper and labor. In addition to the higher basic cost of printing at the Government Printing Office there would have to be added approximately 25 percent of the cost for shipping the material to the posts overseas.

Section 2 (b). Printing and binding equipment abroad.—The United States Mission in Germany maintains a printing plant which provides an economical method for the Government in supplying printed materials to the mission and other agencies in Europe. It is estimated that in fiscal year 1956 30 percent of the printing and reproduction capacity of the plant will be used for administrative printing on behalf of the mission, 46 percent for the United States Information Agency requirements, and the remaining 24 percent for other United States agencies in Europe and for the Department of State posts in Europe, North Africa, and the Near East.

Section 2 (c). Storage of household goods.—This provision permits the Department to pay the costs incident to storing an employee's household and personal effects when the Department assigns an employee to a post where quarters are furnished. The 1956 estimate included approximately \$100,000 for this provision. If the provision were not available, the goods would have to be shipped to the employees at additional cost to the Government.

Section 2 (d). Employment of aliens by contract.—The Classification Act of 1949 provides in section 202 thereof as follows: "This Act * * * shall not apply to— * * * (29) persons employed on a fee, contract, or piecework basis; * * *" (5 U. S. C. 1082 (29)).

The Department has learned from experience that, at certain Foreign Service posts abroad, it is more advantageous and less costly to the Government to contract for the intermittent services of aliens for cleaning, repairing, maintenance, and related services rather than employ them continuously as employees of the Foreign Service. In order to acquire such services by contract it is necessary to include the provision set forth in section 2 (d).

Section 2 (e). Employment of personnel without regard to civil service and classification.—This provision waives the civil service and classification laws only when authorized in an appropriation act or other law. It is presently authorized in the appropriation entitled "International Contingencies." The Department has the following authority under other law:

(a) *Without regard to civil-service laws.*—The basic authority to support this waiver is found in the various participation acts, such as the U. N. Act (22 U. S. C. 287a), the UNESCO Act (22 U. S. C. 287r), the WHO Act (22 U. S. C. 290b), the ILO Act (22 U. S. C. 272a), the Pan American Railway Congress Act (22 U. S. C. 280k), the Caribbean Commission Act (22 U. S. C. 280i), the International Whaling Convention Act (Sec. 14, Public Law 676, 81st Cong., 64 Stat. 421), the South Pacific Commission Act (22 U. S. C. 280b), et cetera.

(b) *Without regard to classification laws.*—The basic authority to support this waiver is found in all the acts cited above, and in 5 U. S. C. 1082 which provides: "This chapter * * * shall not apply to— * * * (2) * * * positions in and under the Department of State which are (A) connected with the representation of the United States to international organizations; or (B) specifically exempted by law from the Classification Act of 1923, as amended, or any other Classification or compensation law; * * *" (Classification Act of 1949, 63 Stat. 954).

Section 2 (f). Official entertainment.—The Comptroller General of the United States has ruled that unless the appropriation act contains specific authority for the use of funds for entertainment, or provision is made in the authorizing legislation, appropriated funds are not available for such purpose (5 Comp. Gen. 455; 26 Comp. Gen. 283).

Two appropriations of the Department carry authorization in fiscal year 1956 for entertainment. The international contingencies appropriation provides that of the total available not to exceed \$100,000 may be spent for representation and for entertainment. The major portion of expense under this provision is spent overseas at official international conferences. In addition some funds are required when international conferences are held in the United States.

The appropriation designated "International educational exchange activities" has a limitation of \$1,000 for fiscal year 1956. This fund is used for entertaining

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prominent exchange visitors who come to Washington to visit the Nation's Capital and interview Government officials.

Section 2 (g). Purchase of uniforms.—There is authority contained in 5 United States Code 118g as follows:

"Appropriations available for the procurement of supplies and materials or equipment shall be available for the purchase and maintenance of special clothing and equipment for the protection of personnel in the performance of their assigned tasks" (60 Stat. 809).

The Comptroller General of the United States, however, has ruled in various decisions, including 22 Comptroller General 1015, that in the absence of specific statutory authority, uniforms to be worn by civilian employees of a Government agency may not be considered as equipment to be procured and furnished by the Government at public expense, but must be considered as personal furnishings to be procured at the expense of the employees.

The Department requires general authority to purchase uniforms because of the varying requirements and varying costs for uniforms in different countries. The cost may vary from \$10 to \$150 per employee per year. The Federal Employees' Uniform Allowance Act (68 Stat. 1114) provides a maximum of \$100 a year which, if used by the Department, would result in inequities.

Uniforms are provided only where local custom requires them for such positions as chauffeurs, messengers, elevator operators, nurses, doctors, doormen, and Marine guards. In the case of Marine guards, civilian clothing must be provided because of local regulations regarding the wearing of uniforms. Replacement standards vary with different areas of the world. On the average, 1 summer and 1 winter outfit are provided each year.

Section 2 (h). Transporting remains of deceased exchangee.—This provision is authorized in the appropriation for international educational exchange activities. It is a contingent provision which is rarely used but necessary as a result of experience.

Section 3 provides that the Secretary is given general authority to act in the following specific cases:

Section 3 (a). Motor vehicle insurance.—Laws in some foreign countries require that insurance be carried on all motor vehicles being operated in those countries. The above provision is necessary as the Comptroller General of the United States has consistently ruled that funds of a Government agency may not be expended, in the absence of statutory authority to purchase insurance to cover the Government's possible tort liability (19 Comp. Gen. 798).

The above provision is necessary to save this Government from the embarrassment of being unable to comply with local regulations.

Section 3 (b). Tie line.—Tie lines and teletype equipment rentals are considered normal contingent expenses of the Department which is operating a highly complex communications system utilizing commercial and military facilities. Equipment and tie lines are required for intraoffice and interbuilding and interdepartment lines for expeditious service and special lines where the traffic provides economical operation or security.

The estimated cost in the 1956 estimates for such lines and equipment is \$600,000. If the provision were eliminated it is estimated that the Department would spend 5 to 6 million dollars for the service it now receives for an expenditure of \$600,000.

If commercial facilities were used entirely, not only would the Government's expenditures increase tenfold, but it would be impossible to tie them into existing Government facilities either in the Department or with other Government systems, and security would be a very real problem to overcome.

Section 3 (c). Ice and drinking water.—In many posts ice and drinking water have to be purchased to protect the health of the employees because the local water, if available, is contaminated.

Section 3 (d). Excise taxes.—In several foreign countries this Government is obliged to pay for excise taxes which would correspond to local or Federal taxes in the United States. The Department's records do not reveal readily the specific amount paid under this provision.

Section 3 (e). Relief, protection, and burial of seamen.—This is a contingent item. The United States Government has not paid for the cost of the burial of an American seaman for the past 5 years as the Government seeks to have the seaman's employer bear such costs. It is felt, however, that the burial of seamen falls within the concept of rendering aid to Americans and comes within the intent of 48 United States Code 678 where it is stated that it is the duty of consuls to provide for the seamen of the United States who may be found destitute. See following item.

Section 3 (f). Expenses of rescue.—This provision permits the United States to pay rescuers of Americans nominal sums for their services. In fiscal year 1954, the costs of rescuing the seamen of two United States fishing vessels were paid under this provision—the *Sun Voyager* (\$603.73) and the *Santa Barbara* (\$844.37) at a total outlay of \$1,448.10.

This is obviously a contingent item and required to assure the protection of Americans and might well be construed to be within the intent of the provisions of title 46, United States Code, sections 678 and 679 and title 50, United States Code Appendix, section 1291 stated below:

(46 U. S. C. 678:) "It shall be the duty of the consuls and vice consuls, * * * to provide for the seamen of the United States, who may be found destitute * * *, sufficient subsistence and passages to some port in the United States, * * * at the expense of the United States, subject to such instructions as the Secretary of State shall give * * *" (sec. 4577, Rev. Stat.; 34 Stat. 100).

(46 U. S. C. 679:) "All masters of vessels of the United States, * * * are required to take such destitute seamen on board their vessels, at the request of consular officers, and to transport them to the port in the United States to which such vessel may be bound on such terms, not exceeding \$10 for each person * * *. If such destitute seamen are so disabled or ill as to be unable to perform duty, the consular officer shall so certify in the certificate of transportation, and such additional compensation shall be paid as the Comptroller General of the United States shall deem proper * * *. Reasonable compensation, in addition to the allowances provided herein * * *, may be paid from general appropriations for the relief and protection of American seamen, when authorized by the Secretary of State, * * *" (sec. 4578, Rev. Stat.; 23 Stat. 55; 24 Stat. 83; 28 Stat. 205; 42 Stat. 24; 46 Stat. 261).

(50 U. S. C. App. 1291:) "Officers and members of crews * * * employed on United States or foreign flag vessels as employees of the United States * * * shall, with respect to * * * (2) death, injuries, illness, maintenance and cure, loss of effects, detention, or repatriation * * * have all the rights, benefits, exemptions, privileges, and liabilities, under law applicable to citizens of the United States employed as seamen on privately owned and operated American vessels * * *" (57 Stat. 45, as amended).

Section 3 (g). Rent of buildings.—This provision is similar to the following authorization contained in the State Appropriation Act, 1931:

(22 U. S. C. 291:) "The Secretary of State may lease or rent, for periods not exceeding ten years, such buildings and grounds for the use of the Foreign Service as may be necessary; and he may, in accordance with existing practice without cost to them, and within the limit of any appropriation by Congress, furnish the officers and employees in the Foreign Service with living quarters, heat, light, and household equipment in Government-owned or rented buildings, at places where, in his judgment, it would be in the public interest to do so, notwithstanding the provisions of section 70 of title 5; * * *" (46 Stat. 177).

Rental for periods in excess of 10 years is provided in the Foreign Service Buildings Act of 1926, as amended.

The proposed provision resulted from the Department's experience in being forced to acquire leases on a long-term basis and being required to make payments in advance, which is prohibited by 31 United States Code 529 unless authorized by an appropriation or other law.

(31 U. S. C. 529:) "No advance of public money shall be made in any case unless authorized by the appropriation concerned or other law * * *" (60 Stat. 809).

Section 3 (h). Maintain rented properties.—The purpose of this provision is to permit the Department to manage the property rented or leased under 3 (g) in such a manner as will provide economical operation and security. The Secretary has general authority to do so under the following provision:

(41 U. S. C. 12:) "No contract shall be entered into for the erection, repair, or furnishing of any public building, or for any public improvement which shall bind the Government to pay a larger sum of money than the amount in the Treasury appropriated for the specific purpose" (sec. 3733, Rev. Stat.).

(22 U. S. C. 296:) " * * * the Secretary of State is authorized to supervise, preserve, maintain, operate * * * the Foreign Service properties in foreign countries and the other properties acquired in accordance with the provisions of said sections * * *" (66 Stat. 140).

Section 4 is a restatement of appropriation language that has been in existence many years supported by citations to the basic law of the Department and Section 291 of the Revised Statutes.

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Section 4 (a). Expenditure for unforeseen emergencies.—

(5 U. S. C. 156): "The Secretary of State shall perform such duties as shall from time to time be enjoined on or intrusted to him by the President relative to correspondence, commissions, or instructions to or with public ministers or consuls from the United States, or to negotiations with public ministers from foreign states or princes, or to memorials or other applications from foreign public ministers or other foreigners, or to such other matters respecting foreign affairs as the President of the United States shall assign to the Department, and he shall conduct the business of the Department in such manner as the President shall direct" (sec. 202, Rev. Stat.).

(31 U. S. C. 107): "Whenever any sum of money has been or shall be issued, from the Treasury, for the purpose of intercourse or treaty with foreign nations, in pursuance of any law, the President is authorized to cause the same to be duly settled annually with the General Accounting Office, by causing the same to be accounted for, specifically, if the expenditure may, in his judgment, be made public; and by making or causing the Secretary of State to make a certificate of the amount of such expenditure as he may think it advisable not to specify; and every such certificate shall be deemed a sufficient voucher for the sum therein expressed to have been expended" (sec. 291, Rev. Stat.; 42 Stat. 24).

*Section 4 (b). Delegation to subordinates.—*This is a specific delegation of the authority in section 291 of the Revised Statutes. The Secretary now has the following authority:

(5 U. S. C. 151c): "The Secretary of State * * * may delegate authority to perform any * * * functions to officers and employees under his direction and supervision" (63 Stat. 111).

*Section 5.—*This section provides basic authority for the operations carried on under funds appropriated to the Department for many years under the title of "International Contingencies". This is the appropriation which contains funds to defray the expenses of the United States in meetings and conferences with representatives of other countries as authorized by treaty, convention, or specific act of Congress, including meetings and conferences of international organizations in which the United States participates as an adhering member.

Examples: Meetings of the General Assembly of the United Nations; meetings of the General Conference of UNESCO; meetings of the World Health Assembly of WHO; meetings of the Council and Conference of the Food and Agriculture Organization; meetings of the General Conference of ILO; meetings of the Pan American Railway Congress; meetings of the Inter-parliamentary Union for the Promotion of International Arbitration; meetings of the International Telecommunication Union, et cetera.

This appropriation also contains funds for United States participation in [new or temporary international organizations or other routine international activities which are not specifically authorized by treaty convention or specific act of Congress. The following subsections are similar to the wording in the appropriation act:

*Section 5 (a). Participation.—*General authority is provided in the basic act of the Department.

(5 U. S. C. 156): "The Secretary of State shall perform such duties as shall from time to time be enjoined on or intrusted to him by the President relative to correspondences, commissions, or instructions to or with public ministers or consuls from the United States, or to negotiations with public ministers from foreign states or princes, or to memorials or other applications from foreign public ministers or other foreigners, or to such other matters respecting foreign affairs as the President of the United States shall assign to the Department, and he shall conduct the business of the department in such manner as the President shall direct" (sec. 202, Rev. Stat.).

*Section 5 (b) (1). Expenses of participation, employment of aliens.—*This provision included because of restriction contained in the Supplemental Appropriation Act, 1953 (Public Law 547, 82d Cong.), as follows:

"Sec. 1402. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States * * * whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, or (3) is a person who owes allegiance to the United States: * * *."

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Section 5 (b) (2). Travel expenses.—This provision permits the Department under strict internal regulation to pay travel expenses and per diem for participants at international conferences without regard to the standardized travel regulations. Participants at conferences are given quarters at a specific hotel which becomes a State Department office and in addition, a reduced per diem for living expenses. Frequently the site of an international conference will be established by the host government in a resort area where lodging and meals are considerably more costly than the usual rate for the city or country in question.

Section 5 (b) (3). Travel expenses of w. o. c.'s.—Occasionally persons who are not in the employ of the United States Government serve without compensation as officially accredited members of United States delegations to international conferences and related activities. Persons who serve without compensation should receive the same per diem in lieu of subsistence as is paid other members of the delegation. However, section 5 of Public Law 600, 79th Congress, limits to \$10 the per diem that may be paid persons who serve without compensation (5 U. S. C. 73 b-2, 60 Stat. 808). This provision would place all members of the delegation on an equal basis for their travel expense.

Section 5 (b) (4). Rental of quarters.—Frequently in order to provide adequate quarters for the United States delegation it is necessary to contract for a block of rooms at a specific hotel.

Section 5 (b) (5). Contributions.—This provision provides authority for the United States to make contributions to new or temporary international organizations where participation is necessary. Examples of contributions of this kind provided by the "International contingencies" appropriation are (1) Central Commission for the Rhine River, (2) General Agreement on Tariffs and Trade, (3) International Cotton Advisory Committee, (4) International Rubber Study Group, (5) International Seed Testing Association, and (6) International Tin Study Group.

Section 6. ICAO.—This section provides that the administrative provisions of the United Nations Participation Act of 1945 shall be applicable to the expenses incurred in connection with United States participation in the International Civil Aviation Organization. This provision has been included annually in the appropriation acts since 1949.

Section 7. Proceeds of sale.—The purpose of this provision is to remove any fiscal year limitation on the use of the proceeds from the sale or exchange of passenger motor vehicles in possession of the Foreign Service abroad.

Section 8.—This is permissive authorization for the Secretary to make funds available to other agencies when authorized by law.

Section 9. Exemption from Revised Statutes 3741.—The law for which exemption is requested follows:

(41 U. S. C. 22): "In every contract or agreement to be made or entered into, or accepted by or on behalf of the United States, there shall be inserted an express condition that no Member of or Delegate to Congress shall be admitted to any share or part of such contract or agreement, or to any benefit to arise thereupon * * *" (sec. 3741, Rev. Stat., as amended).

Such a provision in a contract entered into in a foreign country is frequently misunderstood and in view thereof, the Department believes that a waiver should be granted.

Section 10. Exchange of funds.—The above provision if deleted will not affect the Department's operations. The United States Code (31 U. S. C. 492a) provides adequate authority for the Department to exchange funds. Public Law 442 of June 29, 1954 (68 Stat. 322), made permanent the act of December 23, 1944 (58 Stat. 921), as amended by the act of June 16, 1953 (67 Stat. 61).

Section 11. Travel of personnel outside the continental United States.—In response to request by the chairman of the subcommittee of the House Appropriations Committee for the Department of State recommendations to meet problems arising from regulations and decisions of the General Accounting Office, and regulations of the Treasury Department, in connection with the Department's operations all over the world, this language was included in the Department of State Appropriation Act, 1949 (sec. 106, Public Law 579, 80th Cong., June 3, 1948).

The Comptroller General of the United States, in decision of June 27, 1947 (26 Comp. Gen. 961) held that obligations incident to travel of personnel of the Department and the Foreign Service are incurred and are chargeable against appropriations current at the time tickets are purchased. On July 28, 1947 (27 Comp. Gen. 25) he ruled that expenses of transportation are chargeable to the appropriation current at the time such expenses are incurred, and not to the

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appropriation current at the time transfer orders are issued, in the absence of a specific statutory provision to the contrary. On June 18, 1948 (27 Comp. Gen. 764), in response to the Department's request for a clarification of the rule as to the appropriation properly chargeable with the cost of transportation, the Comptroller General ruled that the cost is chargeable to the appropriation available for expenses of travel for the fiscal year in which the travel is commenced.

Due to rapidly changing world conditions, before a trip is completed it is frequently necessary to change the destination of personnel to meet emergency needs of the Department abroad. In the majority of cases it requires a number of months to complete all transactions in the transfer of employees.

The principal objective of this language was to make it possible to plan transfers of personnel without being confronted with an unknown carryover in connection with expenses that previously had to be divided and charged against two separate fiscal year appropriations.

Section 12. Use of official vehicles.—The act of August 2, 1946 prohibits the use of official vehicles for transportation of employees between their domiciles and places of employment as follows:

(5 U. S. C. 78:) "(e) Unless otherwise specifically provided, no appropriation available for any department shall be expended * * * (2) for the maintenance, operation, and repair of any Government-owned passenger motor vehicle or aircraft not used exclusively for official purposes; and 'official purposes' shall not include the transportation of officers and employees between their domiciles and places of employment, except in cases of medical officers on outpatient medical service and except in cases of officers and employees engaged in field work the character of whose duties makes such transportation necessary and then only as to such latter cases when the same is approved by the head of the department concerned * * *" (60 Stat. 810).

Authority to transport employees from their residences to the office and return when conditions warrant it, especially in countries behind the Iron Curtain and in the Far East areas where public transportation facilities are unsafe or are not available, was first included at the request of the Department in the appropriation act for the fiscal year 1950 (sec. 107, Public Law 179—81st Cong., July 20, 1949).

Section 13. Rate of per diem for exchanges.—This provision was originally authorized in an appropriation act when the maximum rate available in the Government was \$9 per day. Under this provision the Secretary of State sets rates for participants of exchange or similar programs brought to this country by any Government agency. Rates are set after a careful study of living costs, and for the most part are below the maximum authorized.

Section 14.—This section would authorize allowances granted under section 901 (1) of the Foreign Service Act of 1946 (22 U. S. C. 1131 (1)), to include water in addition to the utilities specified.

Section 901 (1) of the Foreign Service Act provides: "Allowances, wherever Government-owned or rented quarters are not available, for living quarters, heat, light, fuel, gas and electricity * * *."

At many Foreign Service posts the cost of water is a very large item of necessary expense to employees. Apparently it was omitted from the list of other utilities in the Foreign Service Act for which the Department is authorized to pay.

Section 15.—This section authorizes appropriations now or hereafter made available to the Department of State for allowances granted under the authority in part A of title IX of the Foreign Service Act of 1946, as amended (22 U. S. C. 1131), to be available for the payment of such allowances in advance.

This provision would authorize the Department to pay allowances to employees in advance where their contracts or commitments require prepayment; for example, housing leases which are obtainable only if rent is paid in advance for long periods.

Many employees have found it necessary to borrow money in order to obtain rented quarters where local business practice demanded advance rental payment for periods of 6 months or a year. Some other agencies, such as FOA, already have the authority to make payments of allowances in advance. Other types of allowances frequently require out-of-pocket payments by employees before they are reimbursed by the Department.

Section 16.—This section authorizes the Secretary of State, notwithstanding the provisions of any other law, to prescribe regulations for the payment on a commuted basis of expenses authorized by law for travel of personnel of the Department and its Foreign Service, including travel of dependents and for transportation, or for transportation and storage, of furniture and household and personal effects, and automobiles of such personnel.

This provision will permit the Department to make commutated payments for travel and the shipment of personal effects and household goods.

Authority is requested to make commutated payments in lieu of other methods of payment whenever it is deemed to be in the interest of the United States Government to do so. It is believed analysis will show that economies can be effected by paying per diem in fixed amounts between predetermined points, thus obviating the necessity for detailed claims on a daily and hourly basis; similar analyses may also prove the economy in giving the traveler a lump-sum payment to cover travel expenses based on experience factors and travel rates; finally, studies may indicate that payment for shipment of personal effects and household goods can be paid in lump sum under strict limitations regarding weight and volume. Successful implementation of commutated payments of this nature would result in manpower and paperwork savings.

Section 17. Enabling clause.—This provision authorizes appropriations to carry out the purposes of the act and is a standard clause.

In addition to the foregoing comments received from the Department of State, the committee received the following letter from the chairman of the Subcommittee on Departments of State and Justice and the Judiciary of the Senate Committee on Appropriations. The suggestions made in this letter are included in sections 14, 15, and 16 of the bill:

UNITED STATES SENATE,
COMMITTEE ON APPROPRIATIONS,
July 12, 1955.

HON. WALTER F. GEORGE,
*Chairman, Foreign Relations Committee,
United States Senate, Washington, D. C.*

DEAR MR. CHAIRMAN: In accordance with the authorization granted by the committee of conferees on H. R. 5502, the appropriation bill for the State Department and other activities for the fiscal year 1956, there is submitted for consideration of your committee the following legislative matters previously included in the bill as passed by the Senate. Such items were deleted by the conferees with the thought that your committee might take appropriate action during the present session of the Congress.

These items are as follows:

(1) Provision for advance payments of Foreign Service allowances:

"Appropriations granted under the authority in part A of title IX of the Foreign Service Act of 1946, as amended, shall be available for the payment of such allowances in advance."

This proposed provision would authorize the Department to pay allowances to employees in advance where their contracts or commitments require prepayment. For example, housing leases which are obtainable only if rent is paid in advance for long periods.

(2) Provision on post allowances:

"Allowances granted under section 901 (1) of the Foreign Service Act of 1946 (22 U. S. C. 1131), may include water, in addition to the utilities specified."

This proposed provision would authorize the Department to pay the costs of water purchased by personnel located in non-Government-owned quarters at foreign posts. Such allowance was not included in the list of utilities authorized in section 901 (1) of the Foreign Service Act. It is my understanding, however, that such allowance is provided military personnel under the guise of commutation of quarters.

(3) Provision for commuted payments for travel and the shipment of personal effects and household goods:

"The Secretary of State may, notwithstanding the provisions of any other law, prescribe regulations for the payment on a commuted basis in lieu of any other method, of expenses authorized by law for travel of personnel of the Department and its Foreign Service, including travel of dependents, and for transportation, and/or storage of furniture and household and personal effects, and automobiles of such personnel."

This proposed provision will permit the Department to make commuted payments for travel and the shipment of personal effects and household goods of Foreign Service personnel whenever it is found to be in the interest of the United

States Government. Such authority is presently granted for domestic expenses by Public Law 600, 79th Congress.

Most sincerely,

HARLEY M. KILGORE,
*Chairman, Subcommittee on Departments of
State and Justice and the Judiciary.*

COMMITTEE RECOMMENDATION

Enactment of the pending bill is necessary to serve as basic authority for essential activities of the Department of State. The committee emphasizes that it does not construe any provision of the pending bill as authorizing the Department of State to engage in activities which it has not engaged in heretofore in the absence of this legislation. Thus, authorization in section 5 to provide for participation in certain international activities for which provision has not been made by treaty or by special act of Congress is not to be construed as authorization for the Secretary of State to commit the United States to membership in permanent international organizations requiring substantial fixed contributions from the United States unless there is specific legislative authority for such participation. In view of the necessity for this legislation and the fact that annual appropriations are required to give effect to these provisions, the committee recommends its early approval.

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